

MATURITY GROWTH EVOLUTION



Vision

A cohesive and sustainable,
growing BC egg industry that
meets the needs of consumers
while being socially and
environmentally responsible.

Mission

To engage stakeholders to meet
the demands of the marketplace.

Making principle based decisions
based on SAFETI guidelines.

Building trust through
transparency.

Providing high value support to
members to help them thrive in
the face of change.

Continuing to build our social
license and raising the bar on
health, safety and sustainability.





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Growth of BC Egg Industry

Oxford Dictionaries defines the word "growth" as:

- a. The process of increasing in size
- b. The process of increasing in amount, value, or importance
- c. An increase in economic activity or value

Other dictionaries describe growth as an "evolution", and that it represents "maturity".

Based on any one of the foregoing definitions the BC egg industry offers excellent examples of these characteristics.

In 2015 BC Egg Marketing Board (BCEMB) **increased in size** by expanding the market to four new quota holders, thereby raising the number of total birds to 12,000. In the near future BCEMB will continue to open up farms to better serve and represent the population in other areas. This growth is based on supply management's commitment to stock the market as required.

When we talk about **increasing in value and importance** BCEMB is committed to offer protection for our hens, our public and the industry at large. *Biosecurity* protocols and the *Start Clean-Stay Clean™* programs exist as strict guidelines for on-farm food safety that require BC egg farmers to adhere to regular farm inspections. Under the guidelines of the Canadian Food Protection Agency, our farms are required to report and be accountable.

Through the *Animal Care Program* BC egg farmers are dedicated to follow a comprehensive Code of Practice that ensure animals live in a comfortable environment. This awareness and growth in education represents progress for how we work with our animals.

We have also evolved the BC egg industry by incorporating new hen housing such as enriched, and aviary systems.

BCEMB recognizes that our consumer has a voice and thus we have become more market-driven as opposed to product-driven. When we hear that our customers are looking for more free run and free range eggs, our farmers are the first to know and they have responded as quickly and efficiently as possible; even in the face of higher cost to production, they have helped to grow our specialty market faster than any other province in Canada.

Being adaptable and ready to take on new challenges will help keep us growing and developing well into the future. We believe that in this environment it is an essential attribute.

Being adaptable and ready to take on new challenges will help keep us growing and developing well into the future.



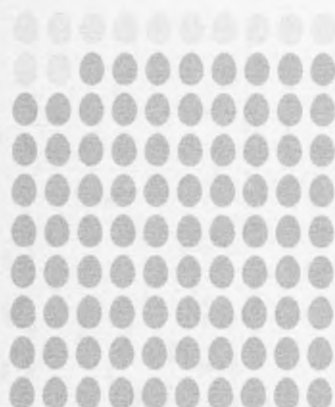
Industry at a Glance

Egg Production by Type

● Specialty

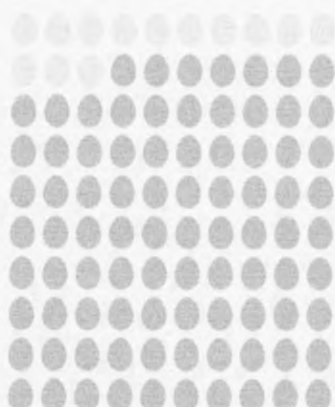
● Regular

2010



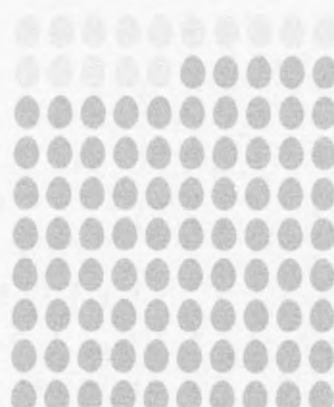
12.0% 88.0%

2011



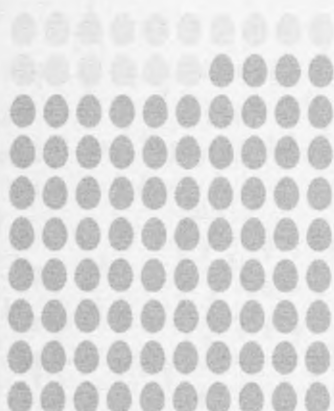
13.0% 87.0%

2012



15.2% 84.8%

2013



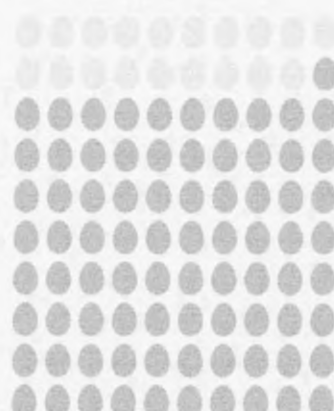
15.7% 84.3%

2014



16.2% 83.8%

2015

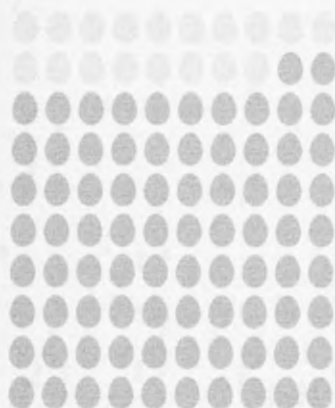


19.3% 80.7%

Farm Gate Cash Receipts

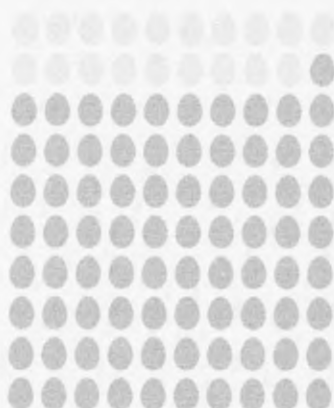
● Specialty ● Regular

2010



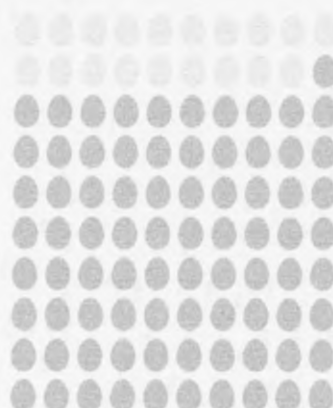
17.8% 82.2%

2011



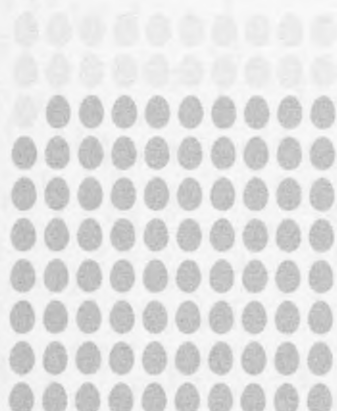
16.8% 81.2%

2012



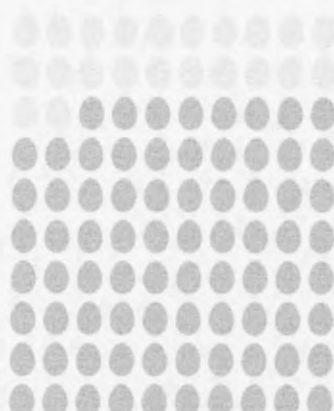
19.2% 80.8%

2013



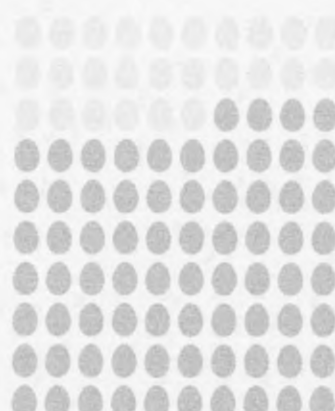
20.8% 79.2%

2014



22.2% 77.8%

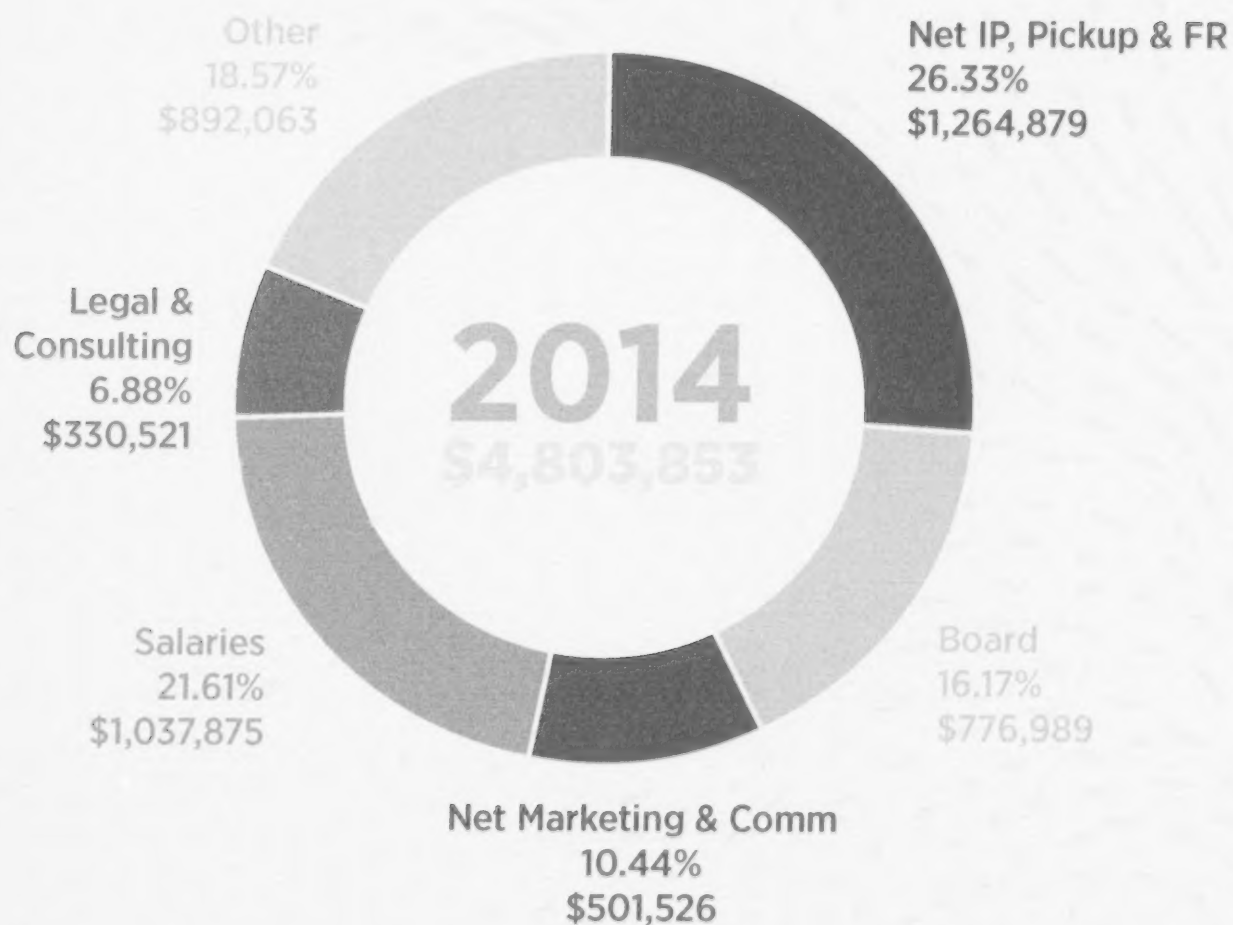
2015



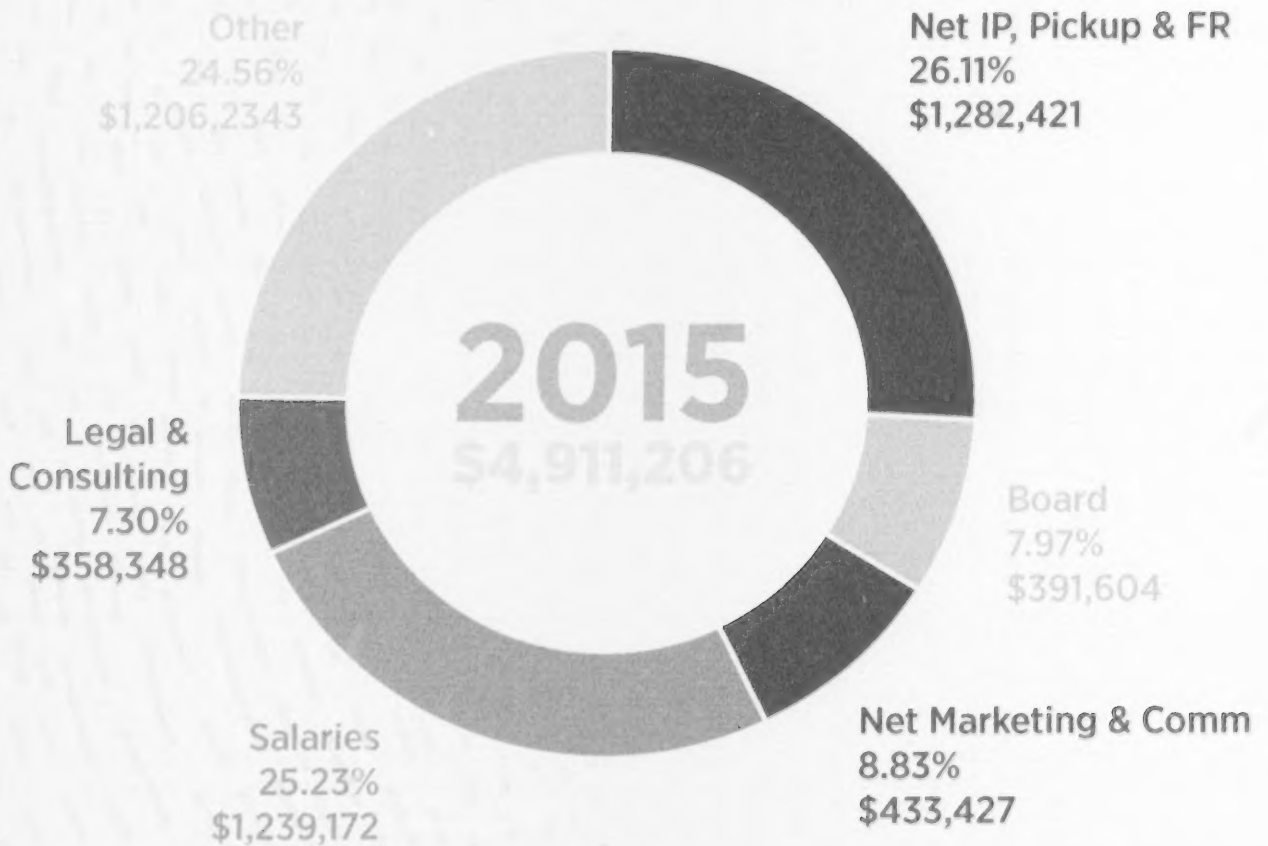
26.1% 73.9%

Industry at a Glance

Distribution of Expenses



Distribution of Expenses



Industry at a Glance

Gradings Report

2014			2015		
Regular	Dozens 58,902,964	Dollars \$118,565,384	Regular	Dozens 57,663,312	Dollars \$ 113,801,508
● White	52,033,778	103,955,815	● White	50,984,634	99,894,934
● Brown	6,869,186	14,609,568	● Brown	6,678,678	13,906,574
Specialty	Dozens 11,420,706	Dollars \$33,780,673	Specialty	Dozens 13,742,759	Dollars \$40,180,526
● Free Range	3,945,594	\$7,719,509	● Free Range	5,453,108	\$12,450,509
● Extra Large	5,404,777	\$10,809,551	● Free Range	4,599,759	\$10,341,587
● Organic	2,070,335	\$13,261,593	● Organic	3,690,892	\$17,388,429
Total	70,323,760	\$152,346,057	Total	71,446,071	\$153,982,034

Types of Eggs

Standard White Eggs

These eggs come from white hens that are typically raised in conventional housing systems.

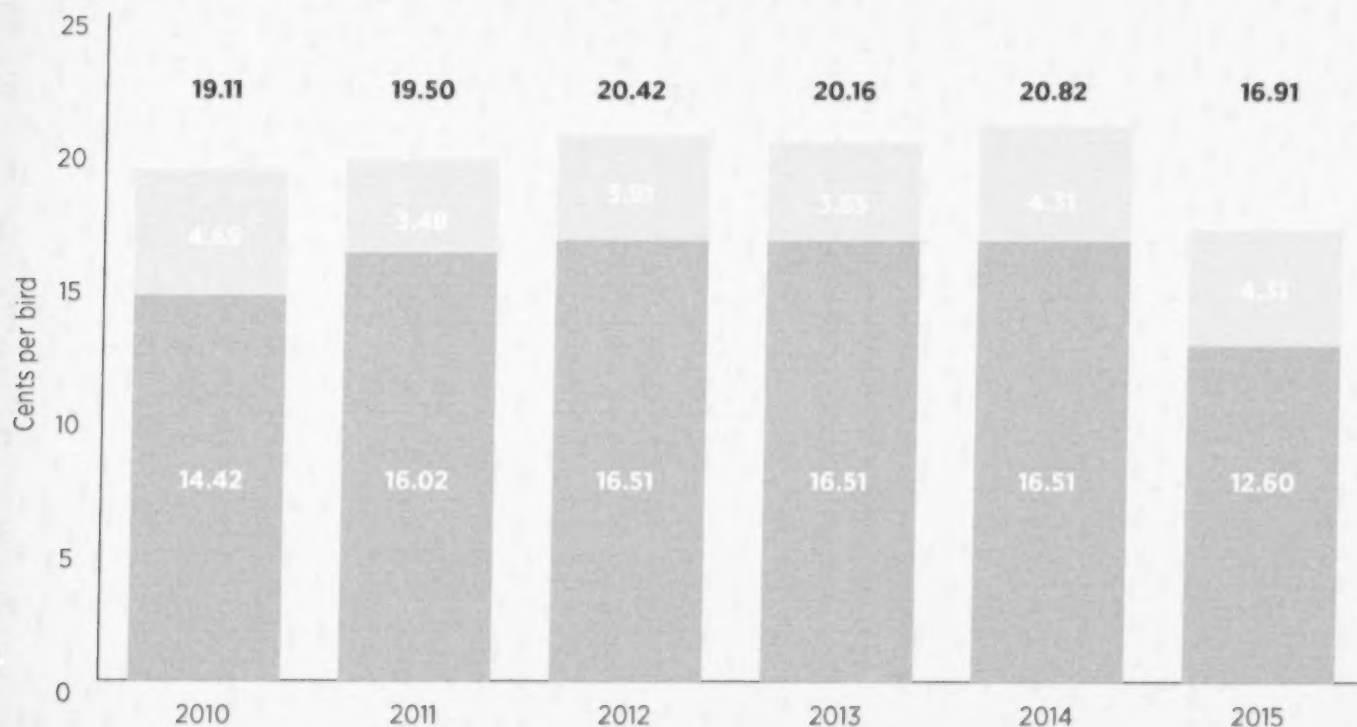


Standard Brown Eggs

These eggs come from brown hens that are raised in conventional housing systems.

Levies Paid By Registered Producers

Cents per bird per week.



Free Run Eggs

These eggs come from hens that are raised in free-run (barn or aviary) housing systems. Free-run systems allow hens to roam freely within a barn, while also providing nesting boxes and perches.



Free Range Eggs

These eggs come from hens that are raised in free-run (barn or aviary) housing systems, which also provide access to the outdoors (when weather permits)



Organic Eggs

These eggs come from hens that are raised in free-range housing systems. The hens are only provided feed that has been certified organic and roam outdoors on pastures that are also certified organic.

Chair's Report



It was another successful year for the producers in the province.

Avian influenza is no longer an every four year event and is the new normal for the industry. It is an airborne virus and related to migratory bird patterns seasonally. We managed to minimize its impact on our production this year in part to all those producers that were very vigilant in implementing the BC Biosecurity Standards.

We also managed to increase production to 71,446,071 dozen eggs and maintained stable pricing despite significant price increases in the United States due to their Avian Influenza crisis that shut down almost one third of their production. We must not lose sight of the fact that large scale shut downs due to incidents such as these reflect on the positive aspects of small and local farms in Canada.

We have a different cultural aspect to farming here, which is more heritage driven versus large industrial agriculture in other countries. For instance, our average farm size is 25,000 layers and in the U.S. it is over 800,000 layers. The largest producer in the U.S. has over 21 million layers and could almost supply all of Canada.

We introduced four New Entrants to egg farming in British Columbia and set the process in place for 12 more entrants over the next five years. This program eases the cost of entry for new participants in our industry and provides them with the mentorship to ensure their success.

The further processing market is also growing in the province and we have entered into some longer term commitments with the processors to provide them with more local product. Further processors make products like egg whites, powdered supplements, hollandaise sauce and other deli and snack products.

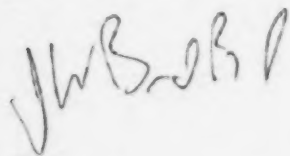
More and more consumers and hospitality chains want to know where their food is produced and how it is made. Almost on a daily or weekly basis there is an announcement that another major chain is going cage-free. This will create a demand shift from traditional to specialty egg products, which will entail significant capital expenditures and farm improvements by our producers. BC already produces more specialty eggs than any other province in Canada by far, as we were well aware of this future demand. We are working with the graders and producers to gear up for continual shifts in this demand going forward.

As in any industry these social shifts and wellness trends will require us to have meaningful dialogue and increase transparency with our stakeholders with respect to traceability, animal care, safety programs, and other sustainability issues. We have set in place programs that invite more input from a broader range of stakeholders than in the past and are committed to ensure that all stakeholders are well informed about health, safety and economic issues with different types of egg production throughout the value chain. Working closely with grocery and restaurant chains, along with graders and factoring in ongoing consumer research is going to enable us to develop more of a future outlook on forecasting these demand shifts.

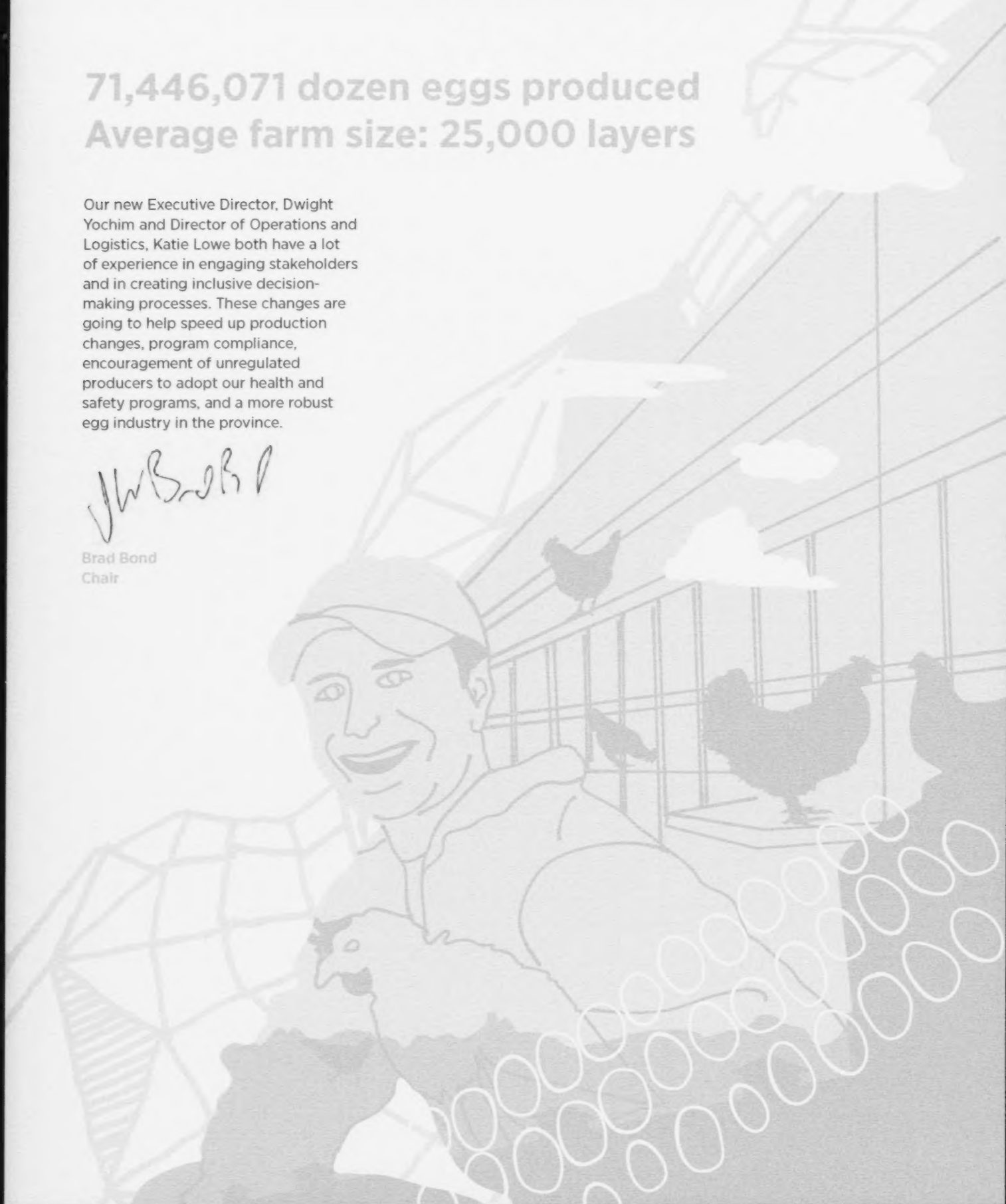
71,446,071 dozen eggs produced

Average farm size: 25,000 layers

Our new Executive Director, Dwight Yochim and Director of Operations and Logistics, Katie Lowe both have a lot of experience in engaging stakeholders and in creating inclusive decision-making processes. These changes are going to help speed up production changes, program compliance, encouragement of unregulated producers to adopt our health and safety programs, and a more robust egg industry in the province.



Brad Bond
Chair



Executive Director's Report



2015 was certainly a time of change for the BC egg industry. At the BC Egg Marketing Board (BCEMB) staff level, there were significant changes.

Katie Lowe was brought in as Manager, Operations and Logistics, Erin Duetta was promoted to Manager, Finance and April Dicer was promoted to Manager, Human Resources/Executive Assistant. Karlie Erickson joined us as a Producer Liaison Officer, Janna Macaulay as our Accounting and Data Coordinator and our latest addition, Alison Modenese as our Administrative Assistant. Training of our staff is a priority and it will include tours of various producers' farms, grading facilities and an egg processing facility.

The BCEMB is also evolving.

We are trying to take on a more transparent and engaging approach to our business.

We've already instituted a monthly newsletter to our producers called "Scrambler" and a quarterly publication called the "Eggbeat" for our interested stakeholders. This will allow our members to remain on top of what is going on at the BCEMB and keep us apprised of other evolving issues. It will also allow us to keep stakeholders informed about changes in our industry. Between our monthly newsletters, producers may receive a newsletter called "Fast Fry" which contains time sensitive or critical information for producers as they arise.

Growth was also part of the industry change.

In early December, quota increase of 82,983 was approved and the 97% utilization cap imposed by Egg Farmers of Canada (EFC) was removed, allowing for 100% utilization. The BCEMB subsequently approved a temporary utilization of 106% for two years to address the forecasted shortfall. This puts tremendous strain on producers to retool and expand barn space to accommodate the growth.

2015 saw an unprecedented number of announcements from restaurants publically promising the move to offer only eggs produced by cage-free hens on their menus. While this is a challenge for BC's egg industry, BCEMB is well positioned to meet this change based on our leadership in specialty egg production. Approximately 20% of BC egg producers are currently farming specialty eggs, a higher proportion than any other province.

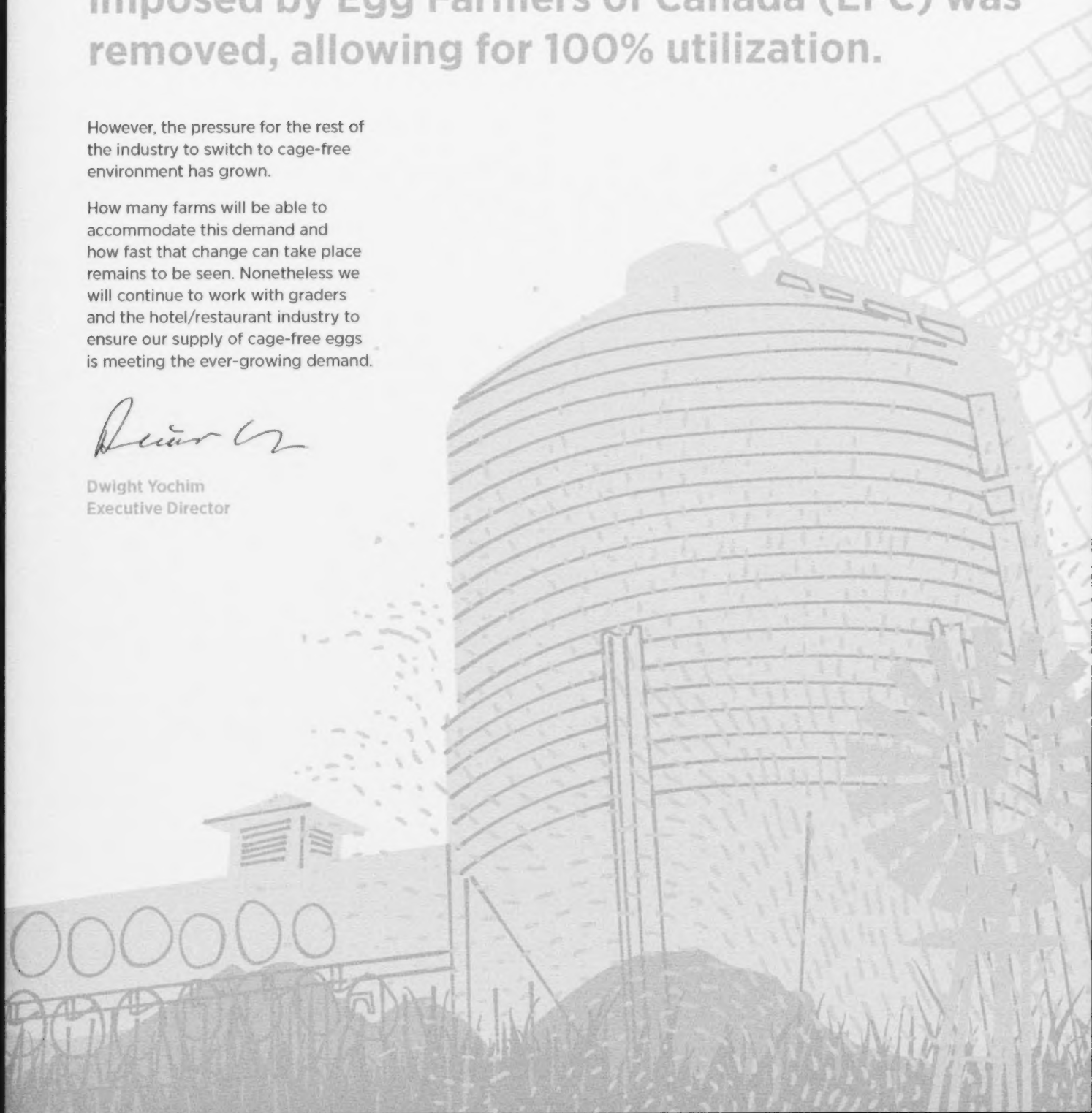
In early December, quota increase of 82,983 was approved and the 97% utilization cap imposed by Egg Farmers of Canada (EFC) was removed, allowing for 100% utilization.

However, the pressure for the rest of the industry to switch to cage-free environment has grown.

How many farms will be able to accommodate this demand and how fast that change can take place remains to be seen. Nonetheless we will continue to work with graders and the hotel/restaurant industry to ensure our supply of cage-free eggs is meeting the ever-growing demand.



Dwight Yochim
Executive Director



2015 Egg Farmers of Canada Director's Report



For the Canadian egg industry, 2015 ended on a high note: We are tracking to achieve our ninth consecutive year of growth, due in part to increased consumer demand for whole, nutritious, local and high-protein foods. This trend is gaining momentum in the US, so additional future growth is anticipated in Canada.

Our ability to meet this growing demand was hampered by the U.S. Avian Influenza outbreak in the spring, which destroyed over 36 million laying hens and caused egg market disruption in the U.S. and internationally. Consequently, the traditional model of accessing U.S. imports to supplement domestic supply shortfalls broke down.

In light of this, the Egg Farmers of Canada's Board was pleased that our latest quota and allocation request was prior approved by Farm Products Council of Canada (FPCC) in December. EFC remained committed to working constructively with FPCC on both acute and long-term industry matters throughout the year.

We are very proud of many positive outcomes including:

- EFC formulated the NEST II working group in May 2015 and the team successfully implemented solutions for the supply crisis caused by the U.S. Avian Influenza outbreak.

- Also in May, EFC and CPEPC agreed to a High/Low Price (HLP) initiative to increase stability and certainty for processors during this time of extreme price fluctuations.

- To identify cost savings for the Industrial Products Program, the new Market Innovation and Conversion initiative is underway. To date, about \$22M-\$23M per year in savings has been achieved through a variety of sustainability projects.

- EFC developed and tabled a new Cost of Production protocol for the upcoming study, which has a broader scope to account for changes in the industry.

- The national Animal Care Program was significantly enhanced with third-party auditing, Professional Animal Auditor Certification Organization (PAACO) certification for EFC inspectors and six new elements that further strengthen the program.



Our 2015 achievements illustrate the strength and resilience of the system of supply management. The Canadian egg industry is responsive and can innovate to address market or other business realities.

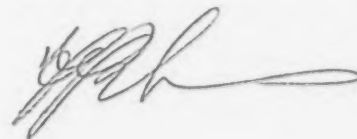
We also withstood many external pressures. As the conclusion of the Trans-Pacific Partnership trade negotiations approached we worked constructively with supportive media outlets, supply management and other partners, and with champions within government and other sectors, to ensure the enduring benefits of supply management were understood and communicated. We worked diligently to communicate that we are supportive of the TPP and other trade deals and that supply management provides necessary stability at home, while other sectors with greater export potential pursue opportunities in international markets.

The final TPP deal is not without impact to our farmers or Canadian consumers. The new access granted for eggs and egg products is 19 million dozens. Under the TPP, those eggs can never be produced domestically again. However, knowing where we stand allows us to continue to plan domestic production to meet the growing needs of Canadian families and consumers.

This is one of many topics with which we already engage the new government. The Liberal majority, with its new Ministers, mandates, and platform priorities provides us fresh introductions to the Canadian egg industry.

At the heart of this effort will be our farmers' enduring commitment to giving back. We are leaders of investments in R&D, we support vibrant partnerships that help address hunger and nutrition with our superior product (the humble egg), and we export our knowledge and expertise to parts of the world where egg farming is a critical to alleviating suffering.

As the Director for BC, with a seat at the national table, it is the breadth of the matters we tackle in a principled way, as a federation—some operational, some aspirational, some positive, some challenging—that makes our work so rewarding. To my colleagues on the EFC board and in my province, to the staff and farm families across the country, thank you for your support.



Fred Krahn
EFC Director



Committee Reports

Audit Committee



The Audit Committee's responsibility is to provide assistance to the Board of Directors (BOD) in fulfilling its fiduciary obligations with respect to matters involving the accounting, auditing, financial reporting, and internal control functions of the British Columbia Egg Marketing Board.

The committee's primary duties are to advise the Board of Directors and to make recommendations that support and protect producers-members by:

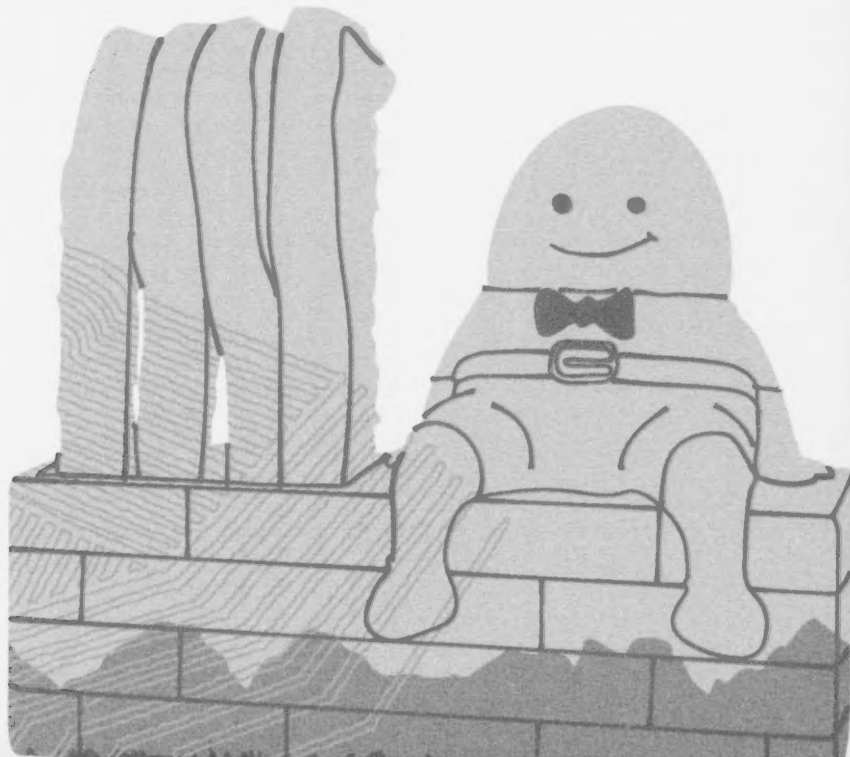
- Reviewing the annual financial statements as prepared by the auditor;
- Reviewing the system of internal controls that has been established and implemented by management;
- Reviewing and approving the auditors' annual audit plan and any other non-audit work performed; and
- Making a recommendation to the Board of Directors whether to accept the auditor prepared financial statements.

On behalf of the Board of Directors, we would like to express our appreciation to the Accounting Team and the Audit Committee for their support and contribution. In addition, we would also like to acknowledge MNP LLP for their continued support and assistance throughout the audit process.

Respectfully submitted,

A stylized, handwritten signature in black ink, appearing to read 'Aryn Alibhai'.

Aryn Alibhai
Audit Committee Chair



Production Management Committee



The Production Management Committee (PMC) is comprised of five egg producers whose role and mandate are to act as advocates and fellow advisors to BC egg farmers in matters pertaining to production practices and related farm issues.

The PMC assists in formal complaints regarding production practices and will encourage producers to fully comply with the industry's best management practices. The PMC is a voluntary committee; it is not established under any legislative or regulatory authority, and its only mandate is established by its members.

I would personally like to thank each one of the following members of the PMC team: Bodo Goetzke, Dwayne Vanderkooi, Scott Janzen and Rob Martens.

The committee members have worked tirelessly with me throughout the year and we have faced and embraced the challenges of our role.

The year 2015 began with an Avian Influenza outbreak that was held over from early December 2014. Thanks to our solid biosecurity initiatives and auditing programs the industry was able to quickly identify and mitigate the situation.

Due to this occurrence our Producer Liaison Officers (PLOs) and the Egg Farmers of Canada (EFC) auditors were required to work exceptionally hard in the months following the lift of quarantine to complete their annual audit requirements.

This year we saw staff changes at the BC Egg office and welcomed newcomer Karlie Erickson to join Dale Fischer on our BC Egg team of auditors. To complement them and assist the PMC throughout the year, we also utilize the expertise of our national auditor, Birgit Gagne and BCEB Manager of Operations and Logistics, Katie Lowe.

We are anxiously awaiting the first look at the new Code of Practice, developed through the national board, Egg Farmers of Canada (EFC), to see what additional criteria might be required in the future. After much discussion we were able to finalize the cage measurement protocols and these have been implemented to date.

The PMC is also responsible for establishing Producer of the Year qualifications:

- a score of 98% on all three levels of Start Clean-Stay Clean™ and the Animal Care Programs
- be in good standing with the BCEMB
- must demonstrate community engagement through volunteer work and/or in kind donation of time to the egg industry or another agricultural community
- demonstrate innovation in farming such as Environmental Farm Plan, alternative energies (solar or wind), in marketing strategies, or progressive thinking for bird housing

The Producer of the Year will be recognized at the BC Poultry Conference in March 2016 and will be awarded with a travel gift certificate valued at \$500. The "Producer of the Year" will also receive a plaque that can be displayed at the farm. A perpetual trophy naming the farm will be on display at the BCEMB office.

Respectfully submitted,

A handwritten signature in cursive script, reading "Jennifer Woike".

Jennifer Woike
Chair

Market Review and Outlook

Egg sales continue to increase across Canada with three increases in 2015 alone. BC saw an increase of 2.7% in March, 2.65% in July and 2.9% in December. That is a total of 223,420 layers for the province of BC.

We also know it takes about two years to retool and expand barns before the entire quota increase is in place. And yet, BC remains a province still short of the quota needed to meet demand.

Early in 2015 the BC egg industry started the year recovering from an AI outbreak that occurred just before the end of 2014. It wasn't until June 3, 2015 before the "all clear" was given.

Late in 2015 BC experienced an outbreak of Salmonella on six farms resulting in the diversion of eggs from 200,000 quota for further processing. This created a challenge during one of the industries busiest seasons - Christmas. With some innovative approaches of supply management and hard work on behalf of the egg graders, processors and producers, we managed to keep the table market supplied with eggs, while meeting the demand for the processors.

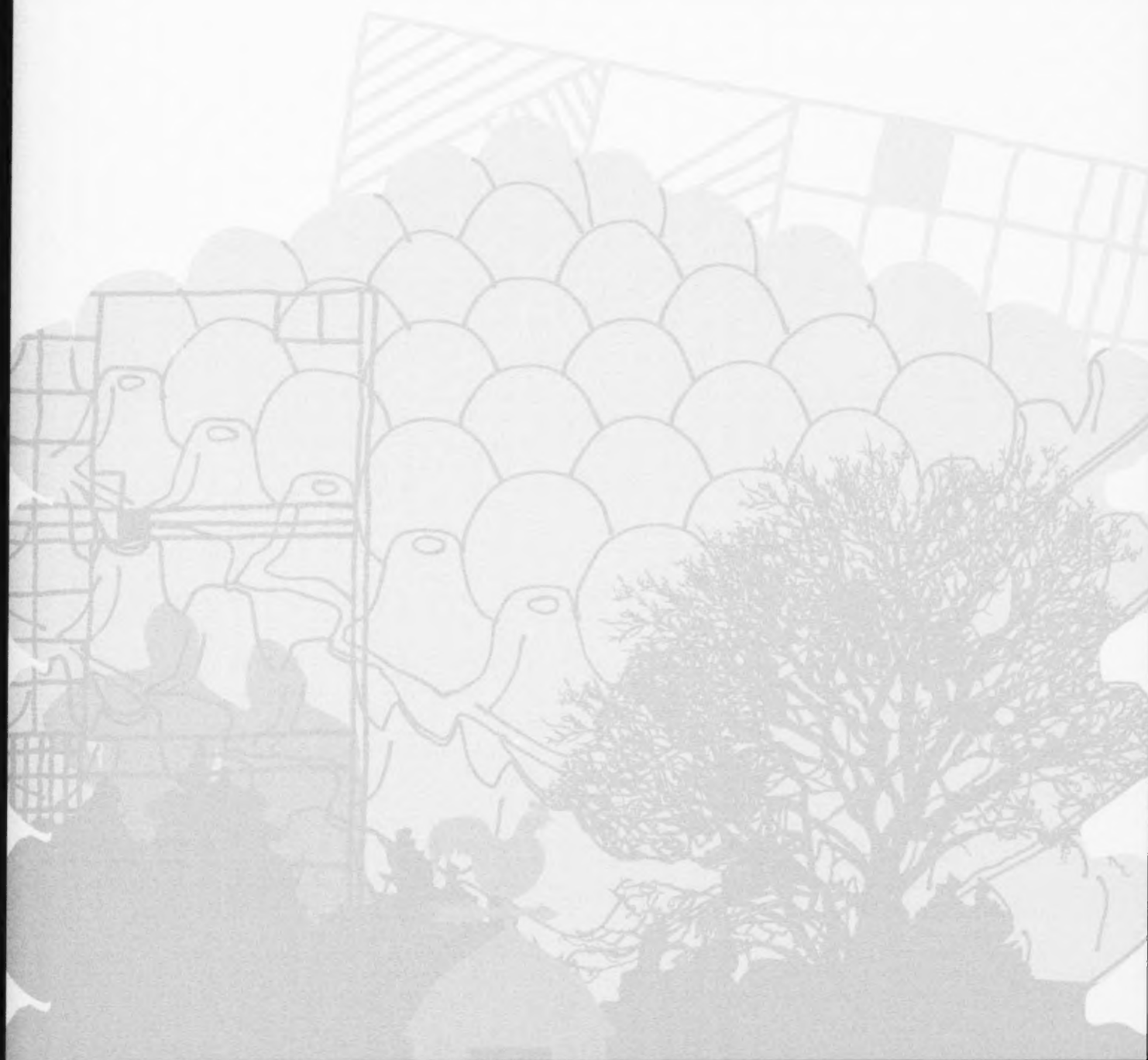
Imports of eggs into BC are on the rise. Interprovincially it is shaping up to be a record year with two months still to report for 2015 and already 6,912,743 dozen imported. The last time it was this high was 2009 when 2.7 million dozen were brought in from other provinces. Most 2015 interprovincial imports originated in Manitoba with the rest coming from Alberta and a small amount from Saskatchewan. However, imports from outside Canada into BC are down 9.88% to 3,863,955 dozen in 2015. The biggest factor for the decline from the U.S. is the outbreak of AI they experienced.

In 2015 restaurants like McDonald's, Starbucks, Subway and Wendy's announced plans to transition to 100% cage-free with various time frames proposed. This is putting added pressure on producers to transition from conventional caged production so a cage-free production method. Many producers saw the writing on the wall as BC is already well positioned with 19% of BC's production in specialty eggs.

2016 will not be without its challenges. Growth is anticipated to continue as will be the pressure to cage-free production. BCEMB will be bringing in more new producers and working to ensure it is a transparent organization. The poultry boards will host their first joint meeting and animal welfare and biosecurity will continue to be at the forefront of our discussions. The roll out of the Trans-Pacific Partnership trade agreement will continue and its impact will become clearer.

Undoubtedly 2016 will likely hold a few surprises, always testing producers and the board to meet BC's demand for one of nature's best foods - eggs.

In 2015 restaurants like McDonald's, Starbucks, Subway and Wendy's announced plans to transition to offering 100% cage-free eggs with various time frames proposed.



Discussion and Analysis

2016 is shaping up to be a record year for egg production in BC. Demand for eggs is growing and BC egg producers are preparing to meet the market's demand.

Four new producers were drawn from a long list of applicants. This will bring the total number of new producers since 2010 to 10. The British Columbia Egg Marketing Board (BCEMB) will launch a new call for applicants with the goal to add 12 new producers between 2017 and 2020.

The year saw two increases in quota with a third approved by the Farm Products Council of Canada in late 2015 that is awaiting approval from the BC Farm Industry Review Board. Although welcomed, the increases create a challenge for the industry to grow at an unprecedented pace. Two limiting factors to growth are lack of stock of barn space and time that it takes to implement quota increases into production.

Imports

To fill the gap in supply, imports totaled approximately 11,000,000 dozen. The majority of this came from Alberta and Manitoba (67%) while the remainder came from the U.S. (33%). As our own production ramps up, the need to import should go down.

To help meet the demand the Egg Farmers of Canada lifted the 95% quota cap to allow producers to place 100% of their quota. The BCEMB looked at the current state of production in BC and determined that it could allow producers to go to 106% utilization for a two year time period while farmers are retooling, expanding current facilities or building new barns for the increased production.

These allowances will help BC egg producers achieve as close to 100% utilization collectively as quickly as possible and answer the market's demand.

The trend towards specialty eggs continues. The marketplace, in particular the hotel, restaurant and institutional industries made public announcements throughout the year about sourcing their eggs solely from cage-free production. BC leads the country at 19.3% of its production of specialty eggs. This does not come without its challenges. During 2016 Egg Farmers of Canada will be looking at a strategy to help the industry phase to cage-free production. Many farmers faced with equipment upgrades are looking at their own production units to determine what the next step should be. There are options for free run, that includes aviary systems. Free range includes changes of increased land requirements over conventional farming and exposes the birds to an increase risk of disease. As the industry moves away from conventional cage housing and explores other options we will monitor the challenges and learn from each other to determine best practices to safeguard hen health and the stability of our industry.

BC leads the country at 19.3% of its production of specialty eggs.

Changes to BCEMB

The Board of Directors held a strategic planning session late in 2015 to move our organization forward. As a result, there will be some changes coming to BCEMB, a few highlighted here.

An overview of the Consolidated Orders is already underway including quota allocation models. Current election rules include the ability to vote online. These rules will be reviewed before the end of the year. Egg stamping may finally become a reality. BCEMB will be exploring the costs and what mark to place on the eggs to let the consumer know that they are purchasing an egg produced in BC. To support branding the eggs, a marketing campaign to help the public understand what buying local eggs means will be launched.

We work hard to provide a high level of standard to produce eggs but we don't always do a good job communicating this important message to the public. We will improve that in 2016.



In the Community

At the BC Egg Marketing Board we like to work with local communities and support causes that matter. We provide support in several ways:

- by investment of money or time for local charities
- by participating in public events
- by funding culinary programs
- by sponsoring sporting events and
- by engaging with the public at farm fairs

We appreciate how important it is for our farmers to build relationships with their customers and to provide them with good information about egg farming and our industry. By offering farm tours and joining other farming events in the region, we were able to start conversations and answer questions.

The following is a list of activities undertaken in 2015. We are proud of the work that we do and our outreach with the community.

Education and Nutrition

Requests for information from teachers, students and health professionals continue. In 2015 BCEMB sent lesson plans, student materials, posters, videos, and nutrition materials to schools and doctor's offices throughout the province. We also supplied resource materials to Home Economics teachers for their local conventions.

Foodservices Support

The BCEMB is very proud to support the Take a Bite of BC program. There are 72 high school teaching kitchens in the province and 30 participate in the program.

Take a Bite of BC provides hands on experience to over 3,500 culinary students. The objective is to build awareness within schools of a variety of local, fresh and delicious products that are available from BC farmers. We contributed 900 dozens of eggs throughout the year to promote the benefits of eggs.

Charitable Organizations

In 2015 BCEMB funded a number of charities. Beginning with food banks that ranged from the Fraser Valley to Vancouver Island, we also extended our support to kitchens that provide food to the homeless. We contributed over \$5,000 in cash donations, supplied over \$1,000 worth of eggs and our office staff volunteered their own time helping at the Abbotsford Food Bank's distribution centre.

Our farmers also supported the Pacific Autism Society with donation and participation at a golf tournament and donated funds to the Lifetime Networks in support of people with disabilities. Staff and farmers alike participated in the CIBC Run for the Cure by walking, running, or manning the booth and handing out informational material.

For the 11th year in a row, BC egg farmers joined BC turkey farmers in a golf tournament, raising over \$60,000 in eggs and cash donations for their charity of choice: the Union Gospel Mission in Vancouver. An additional \$5,000 was raised from dinners and commitments to the egg fund itself, and a further \$36,760 in cash donations from farmers for Christmas donations.



Fairs and Exhibitions

Our farmers are our best resource when it comes to talking about eggs, farming, and our industry. This past year farmers spent their time at a number of fairs. We set up our custom tent at numerous fairgrounds and handed out fun items for children, as well as educational materials, recipes, and industry "Did you Know" brochures. In total farmers personally attended five local fairs that included Pacific Agriculture Fair, Aldergrove Fair, Abbotsford Agrifair and Rodeo, Pacific National Exhibition (PNE), and Day at the Farm.

BCEMB also sent similar materials to support four regional fairs; two in the BC Interior, and two on Vancouver Island. Farmers enjoyed their interactions with the public and the public appreciated putting a face to the farmer.

Athletic Events

We know that eggs are healthy, nutritious and provide energy and vitality. While conveying the message of eggs and their value to health, wellness and fitness we also understand that there is a substantial population of fitness lovers that enjoy our eggs.

From marathon runners to professional athletes, the message is clear: athletes are great consumers of eggs. BCEMB supports our athletic teams and in turn they convey our message to their fans through advertising, social media, public appearances, BC Egg branding on their swag and gear, and in conversations with the public. Teams and athletes supported in 2015 were: BMO Vancouver Marathon, Health, Sports and Lifestyles Expo, Shaunessy Road Runners, Vancouver Canadians Baseball, and the BC Lions.

Consumer Relations

Another way that we were able to reach out to the public this year, to offer information about farming, was to invite a group of food bloggers on a private farm tour. Food bloggers enjoy a committed following of people interested in food. By inviting bloggers to visit our farms we were able to offer awareness about our animals, how they are raised and how they live through the voices of our talented bloggers.

Promotions

Egg marketing campaigns in 2015 consisted of television campaign called "Change", as well as radio advertising, recipes and product information brochures, and factsheets on specialty egg types available in BC.

At the BC Egg Marketing Board we are happy to spend time with our customers and continue to pursue opportunities to give back to the communities in which we live and work.



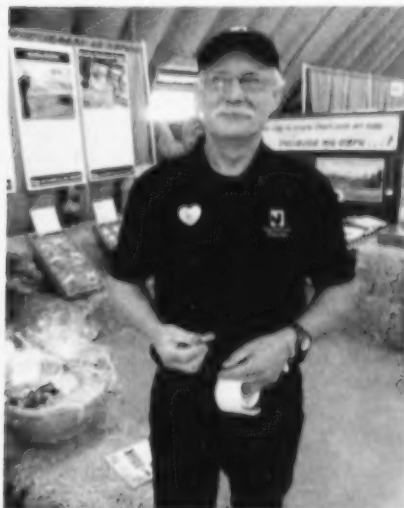
Daybreak Farms

Daybreak Farms is located in Terrace, BC and is the most northern farm and grading station in the province.

The farm, which has been operating since the mid-50s, has been sold twice; once in the early 70s and then again in 1991 to current owner Ian Christison. Ian invested in the operation personally by purchasing the facility and 25,000 layers with a partner. The operation also included a grading station which enabled the business to supply the local market with high-quality eggs. This gave the farm a strategic advantage, as there were no other grading facilities in the north. In 2007 the partnership dissolved and Ian moved another 12,500 layers from his farm in Cobble Hill, on Vancouver Island, to Terrace.

As a grader, Ian says he has a big job to do.

Producing eggs is one thing but as a grader he must become a negotiator, a planner and a shipper of eggs.



He admits that it's a challenge but with no graders in the region he is doing what he can to supply a local product to the consumers in northern BC.

Daybreak's market spans the cities of Haida Gwaii, Prince Rupert, Kitimat, Terrace, Kitwanga, Hazelton, Smithers, Telka, Dease Lake and Stewart.



Although there continues to be competition from Alberta, there is an increasing desire to buy local. By offering a face to the farmer, Daybreak is developing a strong base of local support. With high quality eggs produced in the area that is always available, consumers are starting to appreciate and expect local production. It's a constant challenge but Ian is persistent.

Today, Ian's farm consists of approximately 37,000 layers, and is very well known in Terrace and the BC northwestern region. Approximately 10% of Daybreak's market is specialty eggs, such as brown, free run and Omega. Ian anticipates that this area of production could grow just slightly, given the harsh winter climate.

Retired manager Ron Floritto helps out at the farm from time to time but it is his new manager, Peter Versteeg and Peter's wife Gina, who have helped to raise the profile of Daybreak Farms over recent years. Ian himself is clear that he is a farmer and that is what he loves to do which is why over the last five years it is Gina's

passion for organizing, creating, and cooking that has supported Peter and Ian's interactions with the public at local community events.

Every year the Bulkley Valley Exhibition in Smithers as well as the Terrace Fall Fair host a community fair and Daybreak Farms has become a hit!

Actively interacting with the public is the best way to engage and receive feedback.

With an investment of \$20,000 and a 25 foot custom booth, Peter, Ian and Gina take the subject of eggs to the customers. The season starts with "The Egg Zone" at the Bulkley Valley Exhibition where Daybreak creates, along with their own booth, a 500 square feet egg information display and demonstrates facts about the nutritional value and ways to use and cook eggs.

Actively interacting with the public is the best way to engage and receive feedback. "It is our opportunity to let the consumer know about why we do things the way that we do and what the BC egg industry is all about". They are building relationships throughout the region and the fairs have become an excellent way to convey their message.

Ian says his team believes they should actively participate in their community to build rapport with their customers. He says, "SM is a 365 days a year business regardless of whether other industries are working or not; we know that our business creates the stability of our community and it affects the economics of our area."

Daybreak Farms proudly donates to the local Food Bank, the local Rotary, and many other community charitable organizations.



Lockwood Farms

Lockwood Farms is the most recent member of the BC Egg Marketing Board (BCEMB). The farm is family owned and operated by James and Cammy Lockwood along with James' parents, Barry and Janice Lockwood.

Nestled on a 5-acre farm in the town of Cobble Hill, the farm was originally used to grow ornamental plants for garden design and landscaping. Vegetables were introduced later which the Lockwoods continue to grow to present day.

The family began running a small egg flock to complement their vegetable farm in 2011. The flock expanded from James and Cammy's three back-yard hens to a BCEMB established 399 (small lot) operation.

During this time, it also became obvious that they could no longer keep up with customer demand for their eggs so they applied to obtain quota with the BCEMB via a program called the New Producer Program.

Through the New Producer Program, interested applicants can acquire 3,000 layer quota by meeting specific entrance requirements that range from proof of land ownership to providing a solid business plan.

All qualified applicants then enter a draw and a third party facilitator draws four names from the lot.

Cammy admits that the criteria required to qualify is fair but the process was complex. She is, however, grateful that they succeeded to meet the conditions.

In the fall of 2015, Lockwood Farms became the 18th success story of the BCEMB's New Producer Program.

When speaking with Cammy Lockwood, it is instantly clear that they are passionate about their hens, and love working with them. She explained that they did not really understand larger egg laying operations before and thus spent some time researching the process.

While doing so they met a Lower Mainland producer who raised her own hens on another BCEMB regulated farm and were

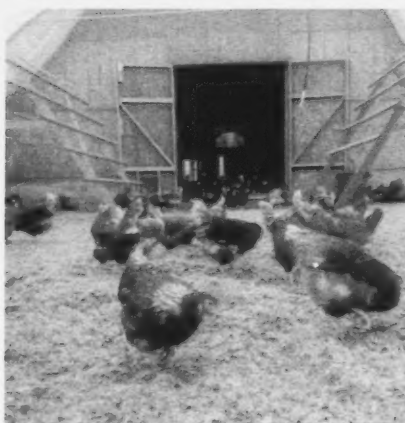
immediately impressed at how well she kept her farm; how much she cared for her birds.

The Lockwoods saw that larger farms did not necessarily compromise flock well-being for higher production. They actually saw that larger flocks could be kept to a higher standard with less effort than smaller flocks.

Cammy acknowledged that they did not understand the system of supply management either and the regulations did not make sense to them at first. Like changing overalls every time you enter the barn was one example they did not understand; however, they appreciate now how important it is for food safety to control contamination of their flock.

Other standards included care for the hens. They since learned, and come to appreciate the intricacies involved in this type of farming and are happy to have made the decision to run a business that they can be proud of.

Cammy says, "We always wanted to be serious producers and committed to maintain a high standard in our vegetable production; the egg business is no different".



In the fall of 2015, Lockwood Farms became the 18th success story of the BCEMB's New Producer Program.

According to Cammy, farming is not an easy thing to do and can be expensive. Since organic vegetable production is season dependent, the egg production business offers the Lockwoods a continuous stream of income.

Because they have run a small egg operation, James and Cammy are interested in bridging the gap between small and large farms. They once advocated for the bylaws for backyard flocks, and now appreciate the difference and why the regulations that they are now committed to exist. It is these differences that affect animal and consumer health long term

What are the next steps we asked? "Well," says Cammy, "now we have to build that barn". The build is expected to take approximately eight months but from their perspective, the decision to automate and use technology will add efficiency and this expansion will provide a higher standard of flock health overall.

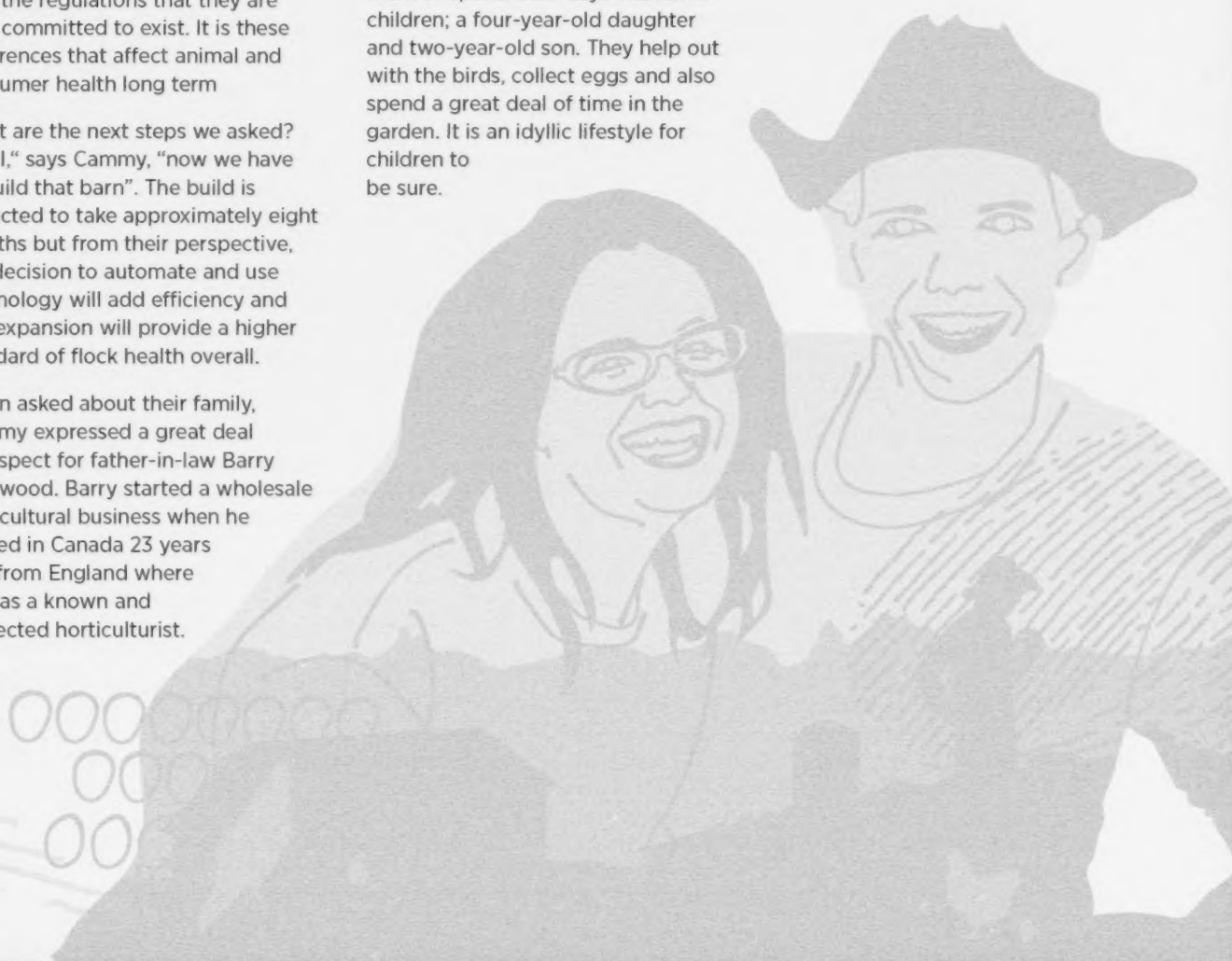
When asked about their family, Cammy expressed a great deal of respect for father-in-law Barry Lockwood. Barry started a wholesale horticultural business when he arrived in Canada 23 years ago from England where he was a known and respected horticulturist.

He chose Vancouver Island to live for the beauty of the land, and happily built his business into a success. Today, vegetables, herbs, and egg production keep the entire family active and happy.

Not having grown up on a farm, Cammy has learned to love the lifestyle and says that she and James owe everything to Barry for making it possible for them to raise their family this way.

Farming has also made it possible for them to spend their days with their children; a four-year-old daughter and two-year-old son. They help out with the birds, collect eggs and also spend a great deal of time in the garden. It is an idyllic lifestyle for children to be sure.

The Lockwood family in Cobble Hill, BC are a close knit family with a deep sense of values. They are committed to providing high quality vegetables and farm fresh eggs. They have opted to live a simple way of life, working on a farm as a family, raising their children together and knowing that their efforts help feed their local community. They love what they do and they consider it an honour and a privilege to be a part of a system that makes it all possible.



Board of Directors



Aryn Alibhai

Aryn has been a Director with the BC Egg Marketing Board (BCEMB) since March 2010 and represents the BC Interior region.

Aryn grew up on his family's poultry farm in the Fraser Valley. He studied at Simon Fraser University and obtained a degree in Business Administration.

In 2000, Aryn joined his father in managing the Alibhai family's egg layer farms and operating their egg grading business in Kamloops. Aryn has since been involved in many different areas of the egg industry's production and grading sectors.

He has been President and Director of both the BC Interior Egg Producers Association and of the BC Egg Processors Council, as well as served in various industry committees. As a member of the Board of Directors at BCEMB, Aryn is serving as the Chair of the Audit Committee. He was also the former Chair of the Production Management Committee.



Walter Siemens

Walter Siemens has been an egg producer since 1986. Walter has served in various capacities and committees within the Poultry Industry and was actively involved in the BC Poultry Emergency Response Committee acting as Lead Industry Command in the last 3 emergency responses. He has served in both the BC Egg Marketing Board as well as the Egg Farmers of Canada Board while serving on the Executive Committee. Additionally, he participated in the Investment Agriculture Foundation of BC and currently is also representing egg producers on the CIERA Insurance Board of Directors serving in both the Claims and Ethics Committee.

Walter and his lovely wife, Annette have four children, two sons (now married) along with two girls, ages 25, 22, 20, and 14 respectively. Annette and Walter have recently become grandparents for the first time with the oldest son Mark and wife Katie, giving birth to Joab. Bringing them both much joy and excitement as they enter a new chapter in their lives. "I enjoy serving the Egg Industry and it's a great way to support and raise a family in... and now to see the next generation arriving is truly a blessing to us."



Jen Woike

Jen Woike and her husband Ian own and operate Running W Egg Farm Ltd., a layer farm in North Cowichan on Vancouver Island. The Woike family also owns a fully integrated pullet farm, and a direct-to-market wholesale company and grading facility called Farmer Bens Eggs. They direct market 100% of their product on Vancouver Island and support over 350 customers with the help of 12 employees. In addition they raise between 50-100 head of Angus-Limosene crossed grass fed beef cattle and make over 400 acres of hay per year primarily for the equine industry.

In 2011 Jen was elected to the Municipality of North Cowichan City Council. In this position she chaired the Agricultural Advisory Committee, Parks and Recreation Committee and sat on the Regional Sports Tourism Committee. Jen recently took a leave from municipal politics to focus on her work at the BC Egg Marketing Board.

In 2009 Jen and Ian were recipients of the BC Outstanding Young Farmers Award as well as the 2015 Black Tie Award for Excellence in Community Support & Business Achievements.





Fred Krahn

Fred Krahn was raised on a berry and poultry farm. Together with his brother, Fred expanded their layer operation to include broilers and turkeys. Later, they introduced feed and feed processing business, diversified into real estate, construction, and land development.

His desire to see the BC egg industry become effective at the national level, motivated Fred to become involved in marketing boards at their inception. As a result, Fred has served in various capacities, on numerous boards and associations including the BC Egg Marketing Board, BC Chicken Marketing Board and the Egg Farmers of Canada, formerly Canadian Egg Marketing Agency.

Presently, he is a director and Vice Chair at the BC Egg Marketing Board and serves on the Executive Committee of Egg Farmers of Canada. Fred and his wife Judy have three sons, one daughter and numerous grandchildren. They are pleased that their sons are all involved in the family business.



J.W. Brad Bond

Brad Bond is President and owner of Richform Construction Supply Co. Ltd. and Barrier Management Inc.

He was previously Chief Executive Officer of Pharmasave Drugs (National) Ltd.; President, Chief Operating Officer, and Director of Keg Restaurants Ltd.; and Vice President of Operations with Shato Holdings Inc. (White Spot restaurants, JD Sweid, Gaines Pet Food and Winchells Donuts).

In the past, he has served as a Director of: the Business Practices and Consumer Protection Authority of BC; Vice Chair of the Fraser Health Authority; Insurance Corporation of BC; Chair of Rx Canada Inc.; and Canadian Restaurant and Foodservices Association.

In 2009 Brad was hired by BC Egg Marketing Board to assist with their Strategic Planning process and subsequently served in that role until he was appointed Chair in 2014. Brad is proud to be a founding director of Templeton Secondary School Educational Foundation. He holds his Bachelor of Commerce from the University of British Columbia.



Board Officers and Committees

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Fred Krahn
VICE-CHAIR

Walter Siemens
SECRETARY

Fred Krahn
EFC DIRECTOR

Walter Siemens
EFC ALTERNATE

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Audit Committee

Amyr Alibhai
CHAIR

Karim Bandali
Bodo Goetzke
Teari Preast

Production Management Committee

Jennifer Woike,
CHAIR

Bodo Goetzke
Scott Janzen
Rob Martens
Dwayne Vanderkooi

Council Of Marketing Boards

Jennifer Woike



BC Egg Marketing Board Processors Council

Mike Vanderpol
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Frank Curtis
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LOWER MAINLAND

Chery Guay
MEMBER
VANCOUVER ISLAND

Ian Christison
MEMBER
BC INTERIOR

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Mike Vanderpol
Frank Curtis
Ralph Regehr
Jon Krahn
Ray Nickel
Scott Janzen



BC Egg Producers Association

Dan Kampen
CHAIR

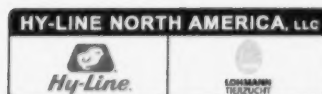
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